HONORABLE TANA LIN

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

BUNGIE, INC., a Delaware corporation, Plaintiff,

v.

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KUNAL BANSAL, an individual, d/b/a LAVICHEATS.COM,

Defendant.

Case No. 2:21-cv-1111-TL

DECLARATION OF JAMES BARKER IN SUPPORT OF PLAINTIFF'S MOTION FOR DEFAULT JUDGMENT AGAINST DEFENDANT KUNAL BANSAL

NOTE ON MOTION CALENDAR: February 17, 2023

I, James Barker, declare and state as follows:

- 1. I am the Deputy General Counsel of Plaintiff Bungie, Inc. I am over 18 years of age. This Declaration is based upon personal knowledge and review of corporate documents and information, and if called as a witness, I could and would testify competently to the information contained herein.
- 2. I have supervised Bungie's litigation against anti-cheat circumvention software since 2020. I have attended every deposition, interview, or other proceeding involving Bungie and traffickers in circumvention technology, and have become familiar with Bungie's game security measures, the features common to circumvention products, and the features at issue in the present case against Defendant Kunal Bansal. I am also familiar with Bungie's business model, the initiatives the company is engaged in, and the *Destiny 2* software at a high level, including its anti-cheat measures.

DECLARATION OF JAMES BARKER (Case No. 2:21-ev-1111-TL) – 1

focal PLLC 900 1st Ave. S., Suite 201 Seattle, Washington 98134 telephone (206) 529-4827 fax (206) 260-3966

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3. I am also a prodigious player of *Destiny 2*, with more than 1,700 hours logged.

Bungie's *Destiny 2*

- 4. Bungie is the developer and publisher of *Destiny 2*, a first-person, massivelymultiplayer online ("MMO") game played by more than 30 million people around the world.
- 5. Bungie released Destiny 2 on September 6, 2017 for consoles (Sony PlayStation 4 and Microsoft Xbox One) and for Windows computers on October 24, 2017. Since its release, Bungie has developed and released multiple expansions or content add-ons for *Destiny 2* that offer players new quests, game modes, weapons and gear, and other modifications of or enhancements to *Destiny 2*'s core gameplay.
- 6. Destiny 2 users interact with one another and the environment, impacting each other's gameplay with their own actions. This interaction takes place in a wide range of game activities, including "PvP" or player-versus-player mode and "PvE" or player-versusenvironment mode. Users interact with one another in both modes, working cooperatively in PvE mode to complete missions and both cooperatively and competitively in PvP modes. These interactions between users are a critical component of *Destiny 2*.
- 7. Destiny 2's PvP matches are highly competitive and involve rare and highlysought after "loot," including weapons and armor that impact a player's progression, as well as rewards and cosmetic options that permit players to show off their success to other players. For many players, PvP gameplay is a critical part of their *Destiny 2* experience because it provides these opportunities to build up their characters and earn accolades for competitive achievement.
- 8. PvE activities also require skill and coordination among players to complete in order to obtain more powerful or sought-after gear, rewards, and weapons, which in turn affect players' progression and prestige and other aspects of the gameplay experience.

Bungie's Intellectual Property Rights in *Destiny 2*

9. Bungie registers a number of copyrights in *Destiny 2* and its major expansions, including to the software and audiovisual components. Bungie has the sole right, title, and interest in *Destiny 2* and its expansions.

- 10. Attached hereto as **Exhibit 1** are true and correct copies of the copyright registration certificates for *Destiny 2*, both as a literary work (as to the code) (Registration No. TX 8-933-655) and as an audiovisual work (Registration No. PA 2-282-670).
- 11. Attached hereto as <u>Exhibit 2</u> are true and correct copies of the copyright registration certificates for *Destiny 2: Beyond Light*, both as a literary work (as to the code) (Registration No. TX 8-933-658) and as an audiovisual work (Registration No. PA 2-280-030).
- 12. Bungie is also the owner of numerous trademarks associated with the *Destiny* franchise, including but not limited to the following marks: DESTINY; DESTINY & design (subject of U.S. Registration No. 4,321, 315); DESTINY 2; DESTINY 2: LIGHTFALL (subject of U.S. Application Serial No. 88/955,399); DESTINY 2: THE WITCH QUEEN (subject of U.S. Application Serial No. 88/955,395); DESTINY 2: BEYOND LIGHT (subject of U.S. Application Serial No. 88/955,392); DESTINY GUARDIANS (subject of U.S. Application Serial No. 90/738,891); and DESTINY 2: THE FINAL SHAPE (subject of U.S. Application Serial No. 90/899,333 (collectively, the "Destiny Marks"). Attached hereto as **Exhibit 3** are true and correct copies of the registration and application data for the aforementioned registration and applications.

Bungie's Limited Software License Agreement for Destiny 2

- 13. In order to access, download, or play *Destiny 2*, players must expressly agree to Bungie's Limited Software License Agreement ("SLA"). Players must also agree to the SLA when they attempt to log in from a new account and every time the software undergoes a major patch or when there is a revision to the SLA. It is impossible to play *Destiny 2* without indicating agreement to the SLA. Attached hereto as **Exhibit 4** is a true and correct copy of the SLA that was in effect at the times relevant to this case.
- 14. The entire SLA is displayed to users at the time they install *Destiny 2*. If a user refuses to consent to the SLA, the installation stops and the program closes.
- 15. *Destiny 2* is made available exclusively through Bungie's proprietary servers and matching systems. Access to the servers also requires agreement to the SLA. Therefore, a user

may not lawfully obtain access to or play Destiny 2 without expressly agreeing to the SLA.

16. Bungie's SLA includes a limited license agreement between Bungie and its users, under which users are licensed to install and use one copy of *Destiny 2* for non-commercial purposes. This limited license is subject to a number of express conditions, including, as most relevant here, the user's agreement not to: (a) "exploit [*Destiny 2*] or any of its parts commercially;" (b) "copy, reproduce, distribute, display or use any part of [*Destiny 2*] except as expressly authorized by Bungie herein;" (c) "hack or modify [*Destiny 2*], or create, develop, modify, distribute, or use any unauthorized software programs to gain advantage in any online or multiplayer game modes;" and (d) "receive or provide 'boosting services,' to advance progress or achieve results that are not solely based on the account holder's gameplay." (*See* Exhibit 4.) The SLA expressly warns that any use of *Destiny 2* in violation of the conditions results in immediate termination of the limited license, and that any further use of *Destiny 2* will constitute an infringement of Bungie's copyrights in *Destiny 2*.

Cheaters, Cheat Software, and Bungie's Anti-Cheat Technologies

- 17. Achieving the rewards and accolades in *Destiny 2* requires substantial time and commitment, and most players enjoy seeing their commitment pay off as they climb the skill curve. They, and we as a company, expect others to also play fairly and honestly. Some users of cheat software want to gain these rewards or "flex" on legitimate players without putting in the honest effort that is required for achievement. Other uses of cheat software are tied to "account recovery" and "boosting" services, in which players use cheat software to rapidly complete ingame activities, including aspirational PvP and PvE content, on the accounts of other players who would pay to have in-game "loot" or accolades, effectively paying a "booster" to play the game repetitively for them.
- 18. Cheat software permits and facilitates unskilled and unethical players to gain an unfair advantage in shared-world MMO games, in which millions of users around the world play with and compete against each other for bragging rights and in-game rewards. Around September 2021, shortly after this lawsuit was filed and after Bungie began to employ

"BattlEye" anti-cheat software in connection with *Destiny 2* (in addition to Bungie's in-house tools), we observed a rapid and several-fold increase in the advertised price of tracked boosting services. This correlation strongly suggests that cheat software is a practical necessity for that parasitic industry to function efficiently.

- 19. Similar to most, if not all, major MMO games, *Destiny 2* is comprised of many elements, some of which are contained on Bungie's servers and some of which are part of the *Destiny 2* game software client. Both components the game software client and the game servers are integral to the operation of the game.
- 20. The game software client which is made available to players for the sole purpose of playing *Destiny 2* in compliance with the SLA is installed on the player's computer. The software client functions to connect the player's computer to the *Destiny 2* servers and to other players' computers to allow users to play the game together in the shared world. The software client loads into memory and stores important data, including the player's character's position and facing, health and shields, and ammunition. The data are communicated to the *Destiny 2* servers and change based on the data sent back from the server.
- 21. High-value game data, such as a character's position, health, shield, and ammunition, are protected from exposure or manipulation using obfuscation and encryption. For example, data about a character's positioning and facing is obfuscated in memory so that it can only be accessed by the *Destiny 2* process during gameplay; and information sent to and from players' computers to Bungie's servers is encrypted. Only the *Destiny 2* process is authorized to access such data, and technological protections are embedded in the game software client that are intended to prevent access to the game data and the injection or attachment of foreign processes into *Destiny 2*. Additionally, specific categories of game data are protected because of their relevance to those who would abuse access in order to cheat.
- 22. These protections are critical because, as described more below, *Destiny 2* is a "free-to-play" game in that Bungie does not sell the base game. Players can thus freely download the base game on their computers, PlayStation consoles, and other game systems and play it for

- 27. Bungie also contracts with third parties at considerable expense for the use of anti-cheat technologies that automatically detect cheating. However, like Bungie's own technological measures, these third-party technologies require continuous and costly development and modification to respond to cheat makers' ongoing efforts to evade protection measures, which costs are then passed on to Bungie.
- 28. Bungie also enables players who suspect other players of cheating to file reports through multiple channels, allowing Bungie to analyze gameplay records to ban cheat users and detect signatures of cheat software that permit Bungie to improve its technological detection and protection measures.
- 29. If Bungie detects or learns of the presence of cheat software, the player may be denied access to *Destiny 2*'s multiplayer servers and/or reported to Bungie for disciplinary action. In such instances, the player's account may be suspended or banned and the player may no longer access *Destiny 2* or Bungie's game servers. These bans are implemented and enforced by computer programs and control access to *Destiny 2*.
- 30. Bungie may also implement a "Hardware ID" ("HWID") ban against a player using cheat software. To implement a HWID ban, Bungie obtains configuration data from the player's computer sufficient to uniquely identify the computer, and denies subsequent access to the game by players using that computer. A HWID ban detects and prevents banned players from obtaining access to *Destiny 2* merely by creating a new account using a different email address or using another player's account from the same computer.
- 31. Because Bungie's technological measures are intended to protect *Destiny 2* from unauthorized access or manipulation, including detecting when players are running cheat software, such software like Defendant's cheat software for *Destiny 2* is specifically designed to

evade or circumvent detection by these technological measures. The cheat may accomplish such avoidance or circumvention by concealing or encrypting itself or by disabling Bungie's technological measures.

32. Combatting the use of cheats, hacks, and similar malicious software or activities in connection with *Destiny 2* is an ongoing battle. Developers and distributors of cheat software, like Defendant, are continuously modifying the cheats or hacks in order to avoid detection by Bungie's technological measures. That, in turn, requires Bungie to continuously expend significant time and resources improving and expanding its technological measures to protect the gameplay experience for legitimate players in an unending arms race.

Kunal Bansal, aka "Lavi," and Lavicheats for Destiny 2

- 33. Defendant Kunal Bansal, who is believed to be a resident of India and uses the alias "Lavi," generates revenue through the sale and distribution of cheat software for a wide range of well-known video games, including Bungie's *Destiny 2* game.
- 34. At the time of Bungie's initial investigation and the filing of this lawsuit, Bansal promoted, sold, distributed, and trafficked in cheat software for *Destiny 2* (the "Cheat Software") through the website he owned, operated, and/or administered located at <lavicheats.com> (the "Lavicheats Website").
- 35. Until sometime after this lawsuit was filed and Bansal was served with and received notice of the Complaint in this action, Bansal offered for sale on the Lavicheats Website two versions of the Cheat Software for *Destiny 2* the "Delta" cheat (also known as the x22 cheat) and the "Premium" cheat (also known as the Ring-1 cheat). Each version of the Cheat Software for *Destiny 2* offered different price points depending on the length of the license for the software. For example, the "Destiny Delta" cheat sold for \$9.99 for a day license or \$129 for a month. The "Destiny Premium" or Ring-1 cheat was offered at a number of price points, including "Destiny 2 1Day" for \$19.90, "Destiny 2 1Week" for \$54, "Destiny 2 1Month" for \$139, "Destiny 2 Pro-Week" for \$129, and "Destiny 2 Pro-Month" for \$249. (*See* Declaration of Stacia N. Lay in Support of Plaintiff's Motion for Default Judgment ¶ 3, Ex. 1.)

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- 36. Bansal promoted the Cheat Software for *Destiny 2* using the Destiny Marks and copyrighted imagery from *Destiny 2*.
- After receiving notice of this lawsuit, Bansal stated on the Lavicheats Website that he had stopped offering for sale and selling the Cheat Software for *Destiny 2*. However, as part of that notice, he recommended that customers instead purchase *Destiny 2* cheat software from another website located at <cobracheats.com>. Based on Bungie's follow up investigation, it appears that Bansal owned, operated, and/or administered the Cobracheats website as well. (*See* Lay Decl. ¶¶ 8-9, Exs. 6, 7; Declaration of Steven Guris in Support of Plaintiff's Motion for Default Judgment ¶¶ 14-18, Exs. 3, 4.) Therefore, despite Bansal's statement that he has ceased selling the Cheat Software for *Destiny 2* through the Lavicheats Website, the evidence suggests that he simply moved his operation to other websites and will continue to engage in his illegal exploitation of Bungie's intellectual property.
 - 38. The Cheat Software for *Destiny 2* sold and distributed by Bansal

Although the list of features depends on the version of Defendant's Cheat Software that a user purchases (*i.e.*, Delta or Premium), the Cheat Software generally includes an "aimbot" feature set, an "ESP" or "extrasensory perception" feature, and the ability to toggle several game-breaking advantages.

- 39. An "aimbot" allows the cheat user to press a button to automatically target opponents in-game without having to aim, allowing the cheater to make even the most difficult shots with little or no skill. The ESP feature set annotates and modifies Bungie's copyrighted audiovisual displays in *Destiny 2* with overlays that allow cheat users to see information about their opponents that is normally not visible, and shows their location anywhere in the virtual world, even if they would normally be obscured by walls or other sight-obscuring objects or terrain.
 - 40. Some of the other game-breaking features that Defendant's Cheat Software for

Destiny 2 provides include artificial enhancements such as unlimited ammunition, the ability to skip cooldowns to instantaneously "respawn" (i.e., re-enter live play after defeat), the ability to shorten cooldowns on player character abilities, the ability to fire faster and with less recoil than non-cheating opponents, and more.

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- 42. These features are absolutely not available to honest players in *Destiny 2* as part of normal gameplay (*e.g.*, as designed by Bungie).
- 43. In addition to altering play for those purchasing and using Defendant's Cheat Software, these features alter *Destiny 2* by adding visual overlays and other graphics that do not exist in *Destiny 2*. As a result, the Cheat Software alters the visual display of the game for the cheaters as well as the game experience for honest players. For example, a player whose opponent can see his location through a wall (due to the visual overlays added by the Cheat Software), then shoot him without effort when he appears, experiences an altered and unfair version of the game. Based on my understanding of the *Destiny 2* software client and the attack vector used by the cheat software, all of the Cheat Software's modifications to *Destiny 2* are created by instructions fixed within the software code for the cheats themselves, and the cheats exist in a concrete form that substantially incorporates Bungie's protected expression.
- 44. Attached hereto as **Exhibit 5** are true and correct screenshots of *Destiny 2* gameplay while using Defendant's Cheat Software that show just a few examples of the overlays and graphic elements, including menus for the cheat, that are added to *Destiny 2* by the Cheat Software.
 - 45. Bansal also used promotional videos on the Lavicheats Website with

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"Lavicheats" branding – documenting how the Cheat Software enables customers to modify the Destiny 2 gameplay. An example of a promotional video – which also incorporates Bungie's copyrighted works – can be found on the Internet Archive Wayback Machine at the following link: web.archive.org/web/20210618015812/lavicheats.com/destiny-2-hacks-cheats-aimbot-esp/ (last visited February 10, 2023).

46. As part of my job, I work closely with members of our Game Security and Community teams, which track user feedback and experience from many sources. As legitimate players of *Destiny 2* have commented, *Destiny 2* "is a good game but not when playing against cheaters" and that cheaters "ruin the game." True and correct copies of illustrative online comments about cheating in *Destiny 2* and the impact it has on users' desire to play the game are attached hereto as **Exhibit 6**. This frustration, and the public expressions of it, damage Bungie's reputation and impair its ability to keep players engaged when that continued engagement is critical to Bungie's business model for *Destiny 2*.

Harm to Bungie

- 47. Protecting the integrity of the gameplay experience, in addition to protecting the Destiny 2 copyrighted works from unauthorized access, copying, modification, and manipulation, is critical to Bungie's business model.
- 48. The base Destiny 2 game, like many of the current MMO games, is "free-toplay"; Bungie does not sell the base game, which users can freely download on PC, PlayStation, and other game systems and play for free indefinitely (subject to Bungie's SLA).
- 49. As a free-to-play game, *Destiny 2* has a broader onramp for new players but is also more vulnerable to attacks on the game's integrity. Bungie's income from *Destiny 2* relies heavily on long-tail player satisfaction in the form of sales of expansions and packs of content (which add story missions and campaigns, new weapons and other items, and a wide variety of cosmetic and aesthetic enhancements), season passes, and the premium currency "silver" which can be redeemed for in-game cosmetic content (i.e., content that does not affect gameplay) that players can choose to purchase if they enjoy their game experience. Bungie goes to great effort

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(and expense) to provide players with the best gaming experience we can, both because Bungie only generates revenue when our players are happy and because we, as gamers ourselves, want to produce a great game. The more entertaining a game is to play, the more likely players will want to invest in additional content to enhance their gaming experience. Like many Bungie employees, I am a *Destiny 2* player because I enjoy playing the game.

- 50. As part of Bungie's goal of providing its players with a fun, interesting, and challenging game experience, we frequently release new content for *Destiny 2*, expanding the story of the game and the universe in which the game is set. Bungie invests substantial resources in developing this new content, some of which is integrated into the free-to-play base game and some of which are part of paid expansions. Since its launch in 2017, *Destiny 2* has had a number of major paid expansions including *Destiny 2: Forsaken*, *Destiny 2: Shadowkeep*, *Destiny 2: Beyond Light*, and *Destiny 2: The Witch Queen*. The latest expansion, *Destiny 2: Lightfall*, will be released on February 28, 2023. Bungie also releases new "seasonal" content, to which users can purchase access, several times a year.
- 51. Additionally, for many *Destiny 2* players, PvP gameplay is a critical component of their gaming experience. One of the reasons that PvP is important to many players is because it provides opportunities for them to build up and gear their characters and earn accolades for competitive achievement. For example, players who achieve uncommon success in the end-game PvP mode "Trials of Osiris" can earn the coveted title "Flawless," which they can display with their character's name so that other players see that they reached this in-game milestone. As a result, Bungie invests significant resources in developing the PvP aspects of the game. Certain in-game milestones also allow players the ability to acquire exclusive merchandise, such as our "raid jackets," which may be purchased only be players who complete our highest-level PvE endgame content ("raids") within a designated period of time after the raid is released.
- 52. By unfairly taking these unearned rewards for themselves, cheaters can prevent honest players from receiving them, no matter how skilled those legitimate players might be.

 Even a small number of cheaters have a disproportionately large, negative impact on honest

players. The aspirational endgame PvP content concentrates players with the highest apparent skill, whether that skill is earned through practice or bought and applied in the form of cheat software in violation of *Destiny 2*'s SLA. Users of cheat software attack not just the integrity of the game as a whole, but directly attack the experiences of those players who are the most personally invested in the *Destiny 2* community.

- 53. Given Bungie's business model, the existence of cheat software, which manipulates, modifies, and exploits Bungie's *Destiny 2* copyrighted works, imperils the continued success of *Destiny 2*. As an ongoing, evolving, narrative-driven live-service game, *Destiny 2* requires continued reinvestment to remain profitable. Bungie does well when players enjoy *Destiny 2* so much that they are willing to invest in expansions, cosmetic offerings, and other paid content. When any live-service game becomes saturated with cheaters, or gains the reputation of being so, honest players may find success impossible or devalued and rapidly become disillusioned with the game, stop playing it, and move on to other activities. Moreover, such players also stop discussing and promoting the game or, to the extent they do discuss it, may comment negatively on their experience as a result of cheaters.
- 54. The reputational damage caused by cheating is difficult to mitigate. Moreover, it is virtually impossible to fully quantify the business that Bungie loses as a result of this reputational damage caused by cheat sellers like Defendant.
- 55. As a frequent *Destiny 2* player, I can viscerally understand the frustration of encountering a cheat software user. Playing against someone who has access to infinite ammunition, unfailing aim, and an ability to see through walls and other obstructions inevitably turns any game into a frustrating and dispiriting experience. I have also witnessed a selection of cheat software modes, including the eponymous "wallhack," which reveals to the cheat user the location of players normally hidden from view; "aimbot," which causes the cheat user's weapon to automatically "snap" to the critical point of an enemy combatant or player; and others. I believe that any *Destiny 2* player using a selection of the most common cheat features would find it trivial to win every engagement against a legitimate player, every time. To the extent a cheat

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26 27 software user loses an engagement, it is undoubtedly done selectively and intentionally to avoid suspicion and detection.

56. Bungie has been forced to expend significant resources to combat cheating software, including Defendant's Cheat Software for Destiny 2. For example, it has been necessary for Bungie to release more frequent security updates to the *Destiny 2* software in order to re-obfuscate information and data structures that cheat designers have located and exploited. We are also forced to continuously engage in development and modification of our own in-house cheat detection efforts. And, Bungie has been forced to incur the substantial expense of licensing several forms of anti-cheat software, including BattlEye, as well as necessary engineering costs to integrate those tools with *Destiny 2*.

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This, in turn, required Bungie to expend a substantial amount of time, attention, and money in response.

- 58. Moreover, players using Defendant's Cheat Software have cost Bungie business and diminished the *Destiny 2* player base, and have had an incalculable negative impact on Bungie's reputation. Although it is impossible to quantify with precision the damage that is caused by each cheater, Bungie expended a minimum of \$2,000,000 on game security staffing and software during the time that Defendant offered his *Destiny 2* cheats. And that figure does not address the reputational harm and damage to goodwill that Bungie has suffered as a result of Defendant's actions.
- 59. During the period in which Defendant sold his Cheat Software on the Lavicheats Website, Bungie became aware of three major providers of cheat software: Ring-1 (which Defendant resold as the "Premium" Cheat Software for Destiny 2); AimJunkies; and Wallhax.

Each of these cheats functions differently, requiring Bungie to combat each of them independently. The more complex and distinct the cheat is, the more expensive it is to combat both in terms of money and time.

60. As of the date of this Declaration, Bungie has also incurred a total of \$241,703.34 in attorneys' fees and costs, including the expert fees of Unit 221B, in connection with this lawsuit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge.

Executed this 17th day of February, 2023, at Seattle, Washington.

JAMES BARKET